

RESOLUTION OF BOSTON REDEVELOPMENT AUTHORITY AUTHORIZING FILING OF AMENDATORY APPLICATION FOR LOAN AND CAPITAL GRANT FOR PROJECT NO. MASS. R-56

WHEREAS, The Boston Redevelopment Authority is party to a Loan and Capital Grant Contract with the United States dated August 4, 1966, as amended;

WHEREAS, it is necessary and in the public interest for purposes of Project No. R-56 described in said contract (hereinafter referred to as the "Project"), that the Loan and Capital Grant be increased to provide for additional loan and grant assistance; and

WHEREAS, Title VI of the Civil Rights Act of 1964, and regulations of the Federal Department of Housing and Urban Development effectuating that Title, provide that no person shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination in the undertaking and carrying out of urban renewal projects assisted under Title I of the Housing Act of 1949, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That an application to amend the Loan and Grant Contract No. Mass. R-56, dated August 4, 1966, as amended, for the purpose of seeking an increase of the Project Temporary Loan from \$41,832,709 to \$67,996,342, an increase of the Project Capital Grant from \$32,875,409 to \$59,039,042 is hereby approved, and that the Development Administrator is hereby authorized, for and on behalf of the Authority, to execute and file such Amendatory Application with the Department of Housing and Urban Development, and to provide such additional information and furnish such documents as may be required by said Department.

2. That the United States of America and the Secretary of the Department of Housing and Urban Development be, and they hereby are, assured of full compliance by the Authority with regulations effectuating Title VI of the Civil Rights Act of 1964.

MEMORANDUM

November 7, 1968

TO: Boston Redevelopment Authority

FROM: Hale Champion, Development Administrator

SUBJECT: Increase in South End Project Expenditures Budget

Costs for the development of the South End Project have greatly exceeded the estimate approved at the time of H.U.D. acceptance on June 18, 1966. Therefore, it is necessary to submit a revised Project Expenditures Budget and request an amendment to the Loan and Capital Grant Contract increasing the Total Federal Capital Grant by \$26,163,633 and the Project Temporary Loan by a like amount.

Since approval of the original budget, many factors beyond control of the Authority have resulted in increased costs.

This increase is attributable primarily to the following:

1) Increased costs for real estate acquisitions resulting from court settlements in excess of original estimates, plus a comparison of actual costs to assessments, supports our opinion that an additional \$12,500,000 will be needed to acquire the remaining properties involved.

2) Improvements to storm drains and sanitary sewers previously approved as Item II work, in the amount of \$5,660,000, have been transferred to Project and Site Improvements under the Project Expenditures Budget. Engineering feels that such a transfer is imperative in order that all street reconstruction work will then be under Item I, and divided responsibility between the City and the Authority will be avoided.

3) Administrative expenses will be increased approximately \$3,600,000. This increase results in part from the take-over of all relocation activities by the staff plus annual increases in the cost of doing business.

4) Increased interest costs resulting from higher interest rates will require an additional \$1,600,000 in this category.

I recommend the Authority adopt the attached Resolution authorizing the filing of an amendatory application for a Temporary Loan and Capital Grant Contract.